Help to fertilizer industries in post-APM period

4694. SHRI A. VIJAYA RAGHAVAN: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government have taken any steps to help the fertilizer industry in the post-APM period;

(b) if so, the details thereof;

(c) the steps taken by Government to check the possibility of increase in the urea prices; and

(d) whether Government would announce any specific programme to assist the fertilizer industry to match with the increased production cost?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SATYA BRATA MOOKHERJEE): (a) and (b) After dismantling of Administered Price Mechanism from 1.4.2002 from naphtha, fuel oil and low sulphur heavy stock (LSHS), Government intervention would be minimal in dertmination of supply prices of these items. Fertilizer companies are now free to deal directly with domestic oil companies and negotiate the prices of these petroleum products used in the manufacture of fertilizers.

(c) The Maximum retail prices of urea continue to be statutorily notified and are revised from time to time taking into account fiscal sustainability and balanced application of fertilizers.

(d) Under the existing Retention Price Scheme, changes in the price of raw materials and inputs are taken care of in the system of quarterly escalation and de-escalation.